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IAC-M-360
9 September 1958

I N T E L L I G E N C E A D V I S O R Y C O M M I T T E E

Minutes of Meeting Held in
IAC Conference Room, Administration Building
Central Intelligence Agency, at 1045, 9 September 1958

Acting Director of Central Intelligence
General Charles P. Cabell
Presiding

MEMBERS PRESENT

Mr. Hugh S. Cumming, Jr., Director of Intelligence and Research,
Department of State
Major General Robert A. Schow, Assistant Chief of Staff for Intelligence,
Department of the Army
Rear Admiral V. L. Lowrance, Acting Director of Naval Intelligence,
Department of the Navy
Major General Harold E. Watson, acting for Assistant Chief of Staff,
Intelligence, United States Air Force
Brigadier General Robert A. Breitweiser, Director for Intelligence,
The Joint Staff
Mr. Harry S. Traynor, Atomic Energy Commission representative
to the IAC
Mr. Alan Belmont, Federal Bureau of Investigation representative
to the IAC

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1. NIE 89-58
The Venezuelan Situation
and Prospects
 - a. Approved as amended.
 - b. Noted the findings and approved the recommended action in the post-mortem on this estimate.
 - c. No member objected to the release of NIE 89-58 to USIA.
2. SNIE 36.6-58
The Outlook in Saudi Arabia and
the Consequences of Possible
US Courses of Action
 - a. Approved as amended.
 - b. Agreed to release this estimate to USIA.
3. Release of NIE 51-58
The Economic and Political
Consequences of India's
Financial Problems
(Memorandum to IAC, 4 September)

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4. Review of Discussion with
Budget Bureau Officials
re Revision of NSCIDs*

General Truscott and General Cabell outlined the nature of the recent discussion they had had with Budget Bureau officials with respect to NSCID revisions, including the specific questions which had been raised and the substance of replies they had made to those officials.

The members then agreed that the following non-substantive changes should be proposed in NSCID No. 1 as a result of these discussions with Budget Bureau officials:

(a) Paragraph 2 c - change the first sentence to read:
"The Board shall determine its own procedures and shall establish subordinate committees and working groups, as appropriate."

(b) Paragraph 6 a (1) - at end of paragraph insert "or to" before "the Government."

The Chairman also referred to a subsequent discussion that he had had with Dr. Reed of the Budget Bureau, who had talked with General Cassidy. The Chairman then informed the members that, following the receipt of a formal memorandum from the Budget Bureau, he proposed to communicate with the Attorney General and Executive Secretary, NSC, with a view to finalizing NSC action on the revised NSCIDs. The members concurred in this procedure.

5. Approval of Minutes
2 September Meeting
(IAC-M-359)

Approved as written subject to the addition of the following sentence after the third sentence of item 3:

* Both IAC and USCIB members were present for this and the remaining items of the meeting, with General Erskine and representing the Department of Defense and NSA respectively.

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25X1 "However, the members from the Joint Staff and Navy--while agreeing to the trial period--adhered to the view [] should preferably be assigned to a single committee having a function comparable to USIBEC."

6. Situation Review

a. Watch Committee Report
No. 422

Noted.

b. Review of Sensitive Situations

The members exchanged views on the Taiwan Strait situation in the course of which Mr. Cumming invited particular attention to the tone and possible implications of an editorial in the Communist Chinese "Peoples Daily." The Chairman emphasized the importance of watching possible Chinese Nationalist moves and the members concurred in his suggestion that the Watch Committee take specific cognizance of this problem. After discussion, the members agreed that no change in their prior estimative conclusions relevant to the present Taiwan Strait situation was warranted.

General Watson invited the members' attention to recent evidence bearing on Soviet military aircraft capabilities and missile activities.

7. Report of Committee on
International Communism
(IAC-D-99/5, 1 July)

Noted this report. In this connection, the members concurred in the Chairman's suggestion that the Committee on International Communism consider what the nature and scope of its future activities should be and make recommendations on this question to the IAC.

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Mr. Cumming noted that certain proposed organizational changes within the State Department might have a bearing on what this committee could do for the intelligence community.

8. Executive Session

At 1215 the Chairman requested an executive session.

Adjournment: 1245



Secretary

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